

CNERGENZ

CNERGENZ BERHAD

Registration No. 202101026123 (1426423-D)
(Incorporated in Malaysia)

NOTICE OF SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Second Annual General Meeting ("**2nd AGM**") of **CNERGENZ BERHAD** ("**the Company**") will be held at Macalister Ballroom, Level 5, Victory Annexe, Eastern & Oriental Hotel, 10, Lebuh Farquhar, 10200 George Town, Penang on Wednesday, 24 May 2023 at 10.00 am for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with Directors' Report and Auditors' Report thereon.
2. To re-elect the following Directors retiring in accordance with Clause 18.2 of the Company's Constitution:
 - (a) Mr. Lye Yhin Choy **Ordinary Resolution 1**
 - (b) Mr. Kong Chia Liang **Ordinary Resolution 2**
3. To approve the payment of Directors' Fees amounting to RM10,000 per month for the Independent Non-Executive Chairman and RM4,000 per month for each of the Independent Non-Executive Directors (excluding Independent Non-Executive Chairman) commencing 25 May 2023 through to the next Annual General Meeting ("**AGM**") of the Company in year 2024 and further, to authorise the Directors to apportion the fees and make payment in the manner as the Directors may determine. **Ordinary Resolution 3**
4. To approve the payment of benefits payable comprising meeting fee to the Independent Non-Executive Directors (including Independent Non-Executive Chairman) of RM600 per meeting day from 25 May 2023 until the next AGM of the Company in year 2024 and further, to authorise the Directors to make payment in the manner as the Directors may determine. **Ordinary Resolution 4**
5. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following Ordinary Resolution with or without modifications:

6. **AUTHORITY TO ALLOT AND ISSUE SHARES BY DIRECTORS PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 6**

"THAT subject always to the Companies Act 2016 ("**the Act**"), the Company's Constitution, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of the relevant government or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to allot and issue shares of the Company at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons, as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.

AND THAT the Directors are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares to be issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

AND THAT pursuant to Section 85 of the Act, read together with Clause 4.2 and Clause 13.2 of the Constitution of the Company, approval be and is hereby given to waive the pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from the issuance of new shares pursuant to this mandate under Clause 13.2 of the Company's Constitution. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid before the date of allotment of such new shares."

7. To transact any other business of which due notice shall have been given.

By Order of the Board

Ong Tze-En, MAICSA 7026537 | SSM PC No. 202008003397

Company Secretary

Penang, 25 April 2023

Notes:

1. A proxy may but need not be a Member.
2. The instrument appointing a proxy must be deposited/submitted via the following ways not less than twenty-four (24) hours before the time set for holding the AGM or at any adjournment thereof:
 - (a) By hardcopy form
The Form of Proxy must be deposited at the registered office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia.
 - (b) By electronic form
The Form of Proxy can be electronically submitted through facsimile at +604 226 5860 or emailed it to ir@cnergencz.com.
3. A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. If the appointor is a corporation, the Form of Proxy must be executed under the corporation's Common Seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 May 2023 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote in his/her behalf.

Explanatory Notes:

Ordinary Resolutions 1 and 2: Re-election of Mr. Lye Yhin Choy and Mr. Kong Chia Liang

The Board of Directors ("**Board**") approved the recommendations from the Nomination Committee and is supportive of the re-election of the retiring Directors based on the justifications below:

Mr. Lye Yhin Choy and Mr. Kong Chia Liang are the Executive Directors and co-founders of the Company and its subsidiaries ("**the Group**"). They lead business development efforts to grow the Group and initiatives to expand market outreach that have contributed to building our businesses and value creation. The retiring Directors do not have any conflict of interest with the Company and had also abstained from deliberation and decision-making, on their re-election, at Board meetings.

Ordinary Resolutions 3 and 4: Directors' Fees and benefits payable to the Independent Non-Executive Directors (including Independent Non-Executive Chairman)

The Directors' fees and benefits payable have been reviewed by the Remuneration Committee and the Board. The Directors' fees and the benefits payable are in the best interest of the Company and in accordance with the remuneration framework. Upon approval, this will facilitate payment of Directors' fees and benefits payable on current financial year basis. It will also authorised payment to be made on a quarterly basis and/or as and when incurred. The Board is of the view that the payment arrangement is fair and equitable particularly after they have discharged their responsibilities and rendered their services to the Company. Details of Directors' fees and benefits paid/payable for the financial year ended 31 December 2022 are detailed in the Corporate Governance Overview Statement in the Annual Report 2022 and Corporate Governance Report.

Ordinary Resolution 5: Re-appointment of Auditors

The Audit and Risk Management Committee and the Board had considered the re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company and collectively agreed and are satisfied that PricewaterhouseCoopers PLT meets the relevant criteria prescribed in Rule 15.21 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

Ordinary Resolution 6 – Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

This for the purpose of granting a general mandate (“**General Mandate**”) and if passed, will give authority to the Board to allot and issue shares up to a maximum of ten per centum (10%) of the total number of issued shares of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 4.2 and Clause 13.2 of the Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares of the Company under the General Mandate.

The approval of this General Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the General Mandate is obtained, the Company will make announcement in respect thereof.

Statement Accompanying Notice of AGM**(Pursuant to Rule 8.29(2) of Bursa Malaysia Securities Berhad's ACE Market Listing Requirements)**

As at the date of this notice, no individual is standing for election as a Director at the forthcoming 2nd AGM of the Company.